## BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

SEP 12 4 59 PM '97

POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

## THE DIRECT MARKETING ASSOCIATION, INC.'S FIFTH SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DIRECTED TO USPS WITNESS MODEN (DMA/USPS-T4-43-54)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached fifth set of interrogatories and requests for production of documents to USPS witness Moden (DMA/USPS-T4-43-54). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

Dana T. Ackerly II, Esq.

David L. Meyer

Michael D. Bergman

COVINGTON & BURLING

1201 Pennsylvania Avenue, N.W.

Washington, D.C. 20004

(202) 662-5296

Counsel for the Direct Marketing Association, Inc.

September 12, 1997

## Witness Moden (USPS-T-4)

DMA/USPS-T4-43. Please refer to your response to NDMS/USPS-T4-4(b). Please explain the reasoning underlying your response.

DMA/USPS-T4-44. Please refer to your response to NDMS/USPS-T4-8, where you state "I am told that processing data for the SPBS without a barcode is contained in Docket MC96-1." Please provide a more specific citation to where the requested information may be found in that docket.

DMA/USPS-T4-45. Please refer to your response to NDMS/USPS-T4-10.

- a. Please provide the unit cost for retrofitting a small number of machines.
- b. Please explain fully whether it is likely that unit cost for retrofitting a small number of machines is greater than the unit cost of a production buy.
- c. Please explain fully whether the unit cost for retrofitting a small number of machines serves as the upper bound for the unit cost of a production buy.

DMA/USPS-T4-46. Please refer to your response to DMA/USPS-T4-30(d). Please provide all situations in which nonpref mail is mixed with pref mail, thereby creating a condition where the nonpref mail must be processed during premium pay hour so that the intermingled pref mail can meet its service standards.

DMA/USPS-T4-47. Please refer to your response to DMA/USPS-T4-38. For years, the Postal Service has maintained that the In-Office Cost System (IOCS) determines the percentages of time craft employees spend on the various classes and subclasses of mail.

- a. Please explain how the IOCS may be used to provide information on the relative percentages of mail processed.
- b. Please explain whether the IOCS has been recently modified to count pieces.

DMA/USPS-T4-48. Please refer to your response to OCA/USPS-T4-5. Please provide a description of all mechanized and automated mail processing equipment planned for deployment by the end of FY 1999 which are not described in your testimony.

DMA/USPS-T4-49. Please refer to your response to OCA/USPS-T4-7 regarding management's "lack of confidence" in MODS data in LR-H-220, page 8. Please explain the bases of management's lack of confidence in daily MODS data including its data collection reliability and its deficiencies in assisting management as an operating tool.

DMA/USPS-T4-50. Please provide the amounts and percentages, for the past three and next three

fiscal years, of Standard A mail (i) letters, (ii) flats, and (iii) parcels that are machinable. For each shape, please disaggregate the machinable items by the actual processing machine (e.g., the percentage of flats that are processed on an FSM 881, the percentage that are processed on an FSM 1000, etc.).

DMA/USPS-T4-51. Please refer to your response to NDMS/USPS-T4-13(e) in which you state that "field sites generally refrain from processing Standard (A) parcels on the FSM 1000 because of capacity concerns and impact on the delivery units."

- a. Please explain fully the types and extent of the "capacity concerns" to which you referred and explain why such "concerns" have discouraged facilities from processing Standard (A) parcels on the FSM 1000.
- b. Please refer to witness Crum's response to UPS/USPS-T28-11(c) where he states that parcels may be cased with letters and flats. Please explain why casing or carrying parcels with flats would inhibit processing parcels on the FSM 1000.

DMA/USPS-T4-52. Please refer to your response to DMA/USPS-T4-30(c) and DMA/USPS-T4-31(c) in which you state that the consequences that occur when nonpref mail and pref mail do not meet their service standards are that "customers are disappointed." Please explain whether there are operational consequences of delayed mail, such whether local managers or staff are reproved when nonpref or pref mail do not meet their service standards or whether management will give a higher priority to processing the backlog of nonpref or pref mail.

DMA/USPS-T4-53. Please refer to your response to DMA/USPS-T4-30(f) and DMA/USPS-T4-31(f). Please provide any data that the Postal Service has, whether or not contained in a "report" or "study," concerning the processing of pref and nonpref mail by the requested time intervals.

DMA/USPS-T4-54. Please refer to your response to DMA/USPS-T4-36. Please respond to this interrogatory by interpreting it to mean the scheduled deliveries of Standard (A) mail to a mail processing or distribution facility by private mailers in order to level mail flows.

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.

Michael D. Bergman

September 12, 1997